• Policy & Procedure

State of California

- Take Note
- Milestones



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Division of Workers' Compensation posts fund assessment rates for fiscal year 2008/09 on its Web site

The CA Division of Workers' Compensation (DWC) has posted the fiscal year 2008-2009 assessment rates for the Workers' Compensation Administration Revolving Fund (WCARF) and other funds on its Web site. Insurance companies and self-insured employers will also receive assessment notices in the mail. The assessments are authorized by Labor Code section 62.5.

Legislation in 2008 created a new fund to be included with the annual assessment: The Occupational Safety and Health Fund will fund a portion of Cal-OSHA program operations.

While the total assessment is increasing by \$11 million over fiscal year 2007-2008, funds going to the Department of Industrial Relations for various programs are not increased over fiscal year 2007-2008, even with the introduction of a new assessment for Cal-OSHA. The Workers' Compensation Fraud Account's authorized spending level was increased by \$11 million, which accounts for the entire increase

In additional to the WCARF, the assessment also covers the following funds:

- Uninsured Employers Benefit Trust Fund
- Subsequent Injuries Benefit Trust Fund
- Workers' Compensation Fraud Account
- Occupational Safety and Health Fund

In addition to funding the DWC, Labor Code section 62.5 requires insurers to collect money from employers to fund antifraud efforts by the California Department of Insurance and local district attorneys, pay benefits to injured workers whose employers were illegally uninsured, and provide compensation to injured workers who already had a disability or impairment at the time of injury.

Insurers must pay the funding due to the state for policy holders and recover those funds from policy holders through workers' compensation policy surcharges and assessments.

The division will mail letters and invoices to insurers and self-insured employers soon, showing the share of the assessments and surcharges due. Insurers or self-insured employers with questions

should call DWC Staff Services Manager Amadeo Urbano at (510) 286-7083 or DWC Analyst Naomi Carter at (510) 286-7087 for more information.

The fund assessment notice is posted on the "what's new" page of the DWC Web site at http://www.dir.ca.gov/dwc/whatsnew.htm.

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